



EXCISE

Department of State

CP800 119-1968

TELEGI

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CONFIDENTIAL

AN: D730074-0014

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ACTION ARA-20

INFO OCT-01 ISO-00 SCEM-02 INT-08 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10

SS-15 STR-08 CEA-02 PA-03 PRS-01 USIA-15 DRC-01 L-03

H-03 AF-10 EUR-25 /203 W

105935

R 291340Z SEP 73

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 9876

Classification Extended By:

C.E. McManaway

A/CDC

8/11/1980

P800117-1414

CONFIDENTIAL A L BRASILIA 6355

205-104

9/22/85

FOLLOWING MESSAGE SENT ACTION BRASILIA FROM RIO SEP 27 BEING
REPEATED FOR YOUR ACTION

QUOTE RIO DE JANEIRO 3606

E.O. 11652: C/S

TAGS: ENRG, LY, BR

SUBJECT: PETROLEUM; BUNKER HUNT NATIONALIZATION

REF: RIO 2811; BRASILIA 5090

1. BOTH RIO'S JOURNAL DO BRAZIL AND O GLOBO OF SEPTEMBER
27 CARRIED REPORT THAT THE GUANABARA STATE TRIBUNAL OF JUSTICE
(STATE COURT OF APPEALS) WILL NOW UNDERTAKE TO DECIDE WHETHER
BRAZILIAN STATE OR FEDERAL COURTS ARE COMPETENT TO RECEIVE
BP/BUNKER HUNT ACTION AGAINST PETROBRAS' IMPORTATION OF
LIBYAN PETROLEUM.

2. SUMMARIZING ACTIONS TO DATE, THE ARTICLES NOTED UNWILLING-
NESS OF GUANABARA'S 14TH CIVIL COURT (COURT OF FIRST INSTANCE)
TO DECIDE ISSUE OF JURISDICTION. THEY QUOTED BP/BUNKER
HUNT CONTENTIONS THAT PETROBRAS ESSENTIALLY WAS PRIVATE.

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DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY

DATE

RDS or XDS EXT. DATE

TS AUTH.

REASON(S)

ENDORSE EXISTING MARKINGS

DECLASSIFIED RELEASABLE

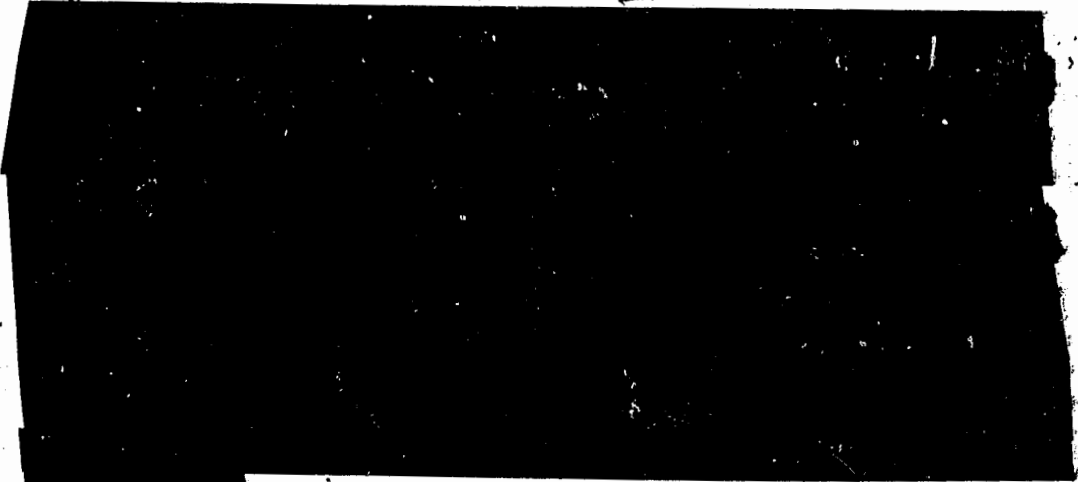
RELEASE DENIED

PA or FOT EXEMPTIONS

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COMPANY, DESPITE GOVERNMENT HOLDINGS, AND THAT FEDERAL INTEREST WOULD BE SIGNIFICANT ONLY IF "FEDERAL POWER WERE TO ENTER INTO CASE AS CO-LITIGANT, WILLING TO ACCEPT CONSEQUENCES OF ANY DECISION AGAINST IT." FEDERAL GOVERNMENT AND PETROBRAS ARE EXPECTED TO PRESENT VIEWS SOON, AFTER WHICH TRIBUNAL OF JUSTICE WILL FORMALLY RECEIVE THE ISSUE FOR DECISION.

3. BP/BH BRAZILIAN LAWYER NABUCO SAID ARTICLES WERE ESSENTIALLY CORRECT, AND THAT THESE ACTIONS REPRESENTED NORMAL LEGAL PROCESSES. HOWEVER, WHATEVER THE OUTCOME, FURTHER APPEALS ARE POSSIBLE, ALMOST CERTAINLY THERE IS LITTLE LIKELIHOOD OF ANY RAPID SOLUTION.



BOONSTRA
UNQUOTE
CRIMMINS

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